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THOUGHTS

ON THE

Liquidation

OF

THE PUBLIC DEBT,

AND ON

THE RELIEF OF THE COUNTRY

FROM THE

DISTRESS INCIDENT TO A POPULATION EXCEEDING THE
DEMAND FOR LABOUR.

BY RICHARD HEATHFIELD,

AUTHOR OF "ELEMENTS OF A PLAN FOR THE LIQUIDATION OF THE PUBLIC
DEBT OF THE UNITED KINGDOM."

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INTRODUCTION.

IN a pamphlet which was published by the author in the year 1819, and which is noticed in the title page, the subject then considered, the Liquidation of the Public Debt, was introduced in the following words :

“Whatever may be the difference of opinion as to the causes and motives of the late war, it is evident that the British nation retires from the contest, with the advantage of great increase in all the means of political power.

“In agricultural and cultivated surface, the increase is very considerable ; in the British American Colonies, in the Antilles, in Asia, in the South of Africa, and in the British Isles, the augmentation of territory, of population, and of production, constitute great accessions of power.

“In manufactures, generally, the ability of the United Kingdom to maintain successful competition throughout the world, is demonstrated : the British warehouse is the resort of all nations for clothing, in most of the varieties required by the convenience and taste of each ;—the increase of demand on British industry, exerted in the useful arts, is indisputable.

“And so happy is the distribution of these several interests, so fortunate the relation of the several parts to each other, so harmonious the whole, as to produce, necessarily, a mighty arm for protection and defence, in the marine by which the intercourse for the exchange of the natural and artificial productions of each, is conducted.

“The effect of this harmonious and powerful combination has been experienced, in the invincible fleets and armies of Great Britain ; in the unexampled expenditure by which those fleets and armies have been maintained.

“How then, does it happen, that the increase of public happiness, is not only not co-extensive with the increase of power in the body politic, but is to be contemplated as declining in the inverse ratio of that increase? That power, in the whole, is suffering and sorrow in the individual.”

The author endeavoured in that, and two other publications which followed,* to solve the difficulty involved in this anomaly, and proceeded to shew by what means the causes of national suffering, distress and moral depravation, might be cut off at their source ; insisting, primarily, on a plan, which he then suggested, for liquidating the public debt.

That exposition produced an extensive conviction in the public mind, of the practicability and expedience of liquidating the debt ; and subsequent experience has shewn the necessity of that, or some other new arrangement in regard to the debt, as the means of relieving the community from its immediate difficulties ; and preparatory to the general application of the principles of social economy, now acknowledged to be essential to a development of the faculties of the country, commensurate with its increased resources and intellectual progress.

In the few pages which follow, the philosophic enquirer will find no compromise of first, general or abstract principles ; the statesman, nothing difficult in practice, provided the landed and other great interests of the country, be convinced ;—

* “Further Observations on the practicability and expediency of liquidating the Public Debt of the United Kingdom.”

and

“Observations on Trade, considered in reference, particularly, to the Public Debt and to the Agriculture of the United Kingdom.”

That the debt of the nation is, by its operation, and must in effect be borne, by *property*, and not by *labour*.

That the payment of the annual interest of the debt, by means of duties on articles of consumption, proceeds on a delusive principle, and that the effort so to charge the debt, deranges the economy of society, and recoils upon property, with great and distressing accumulation of force.

And consequently, that the injury to property, occasioned by the public debt, is attributable, in a great degree, to the mode in which the interest of the debt is charged upon individuals, through the medium of duties on consumable articles, instead of being assumed by, or charged directly upon, property.

The general acknowledgment of the truth of these propositions, would render easy the accomplishment of the great object of relieving property from embarrassment, whether pressing in the form of duties, or of a population exceeding the demand for labour.

To produce a conviction of that truth, was the purpose of the Author's former labours. To enforce that conviction, is the purpose of his present appeal to the public sentiment, feeling and judgment.

THOUGHTS, &c.

Should it be asked, in what respect the United Kingdom is susceptible of any addition to her means of social happiness? could it be alleged, that;—

More capital,

A more industrious, or a more ingenious and inventive
population,

A more numerous population,

A more extended or more varied possession of territory,

A more lofty ascendancy in arms, by sea or land,

Or, an addition or increase, in respect of any other of the elements of power, is in any degree necessary to that purpose?

If it must be acknowledged, on the contrary, that the empire possesses the elements of power, to an extent, not only adequate to every purpose of social virtue and happiness, but so full and complete, as to render it difficult to suppose or suggest any circumstance by which the combination could be rendered more perfect; it follows, that the evil condition of the great body of the people of these realms, and the uneasiness and anxiety of all, proceed from some error, oversight or miscalculation, in the regulation of the community; some predominating evil, which may have been the growth of time, or some mistake in carrying into effect the proper purpose of all government, the due adjustment of the relative rights and duties of the several orders constituting the state.

In the intellectual process by which most of the ramifications of the national interests have been traced to their root,

the subject of taxation, although of paramount importance, appears to have been singularly neglected. The question upon which the whole fabric of British society depends, and which, as now treated, baffles the clearest axioms in ethics and politics, is not considered in its analysis. Heavy taxation, is at length, generally admitted to be an evil; but neither the manner in which it produces its baleful effects, nor the facility with which it might, to a great extent, be removed, has been shewn.

The levy of a revenue, through the medium of consumption, as distinguished from a tax on property, has so many advantages of convenience, as to render difficult the task of producing a conviction, that a preference ought to be given, generally, to the latter. The question will not now be discussed, for the purpose of enforcing that principle, with reference to the ordinary and current expenses of the state; but for the purpose of liquidating the public debt, the attempt will be made to demonstrate the necessity of transferring the burthen of the debt, from labour and industry, direct to property.

It is certain, that taxes on consumption, do, in fact, fall with accumulated force on most descriptions of property; and that, provided the income derived from property be expended within the United Kingdom, the effect, to the proprietor, of such taxes, is aggravated to an extreme degree.

Firstly.—The amount of any given tax, levied through the medium of the importer or manufacturer, must be paid by the consumer, together with a considerable addition to each of the successive dealers, through whose hands the commodity passes, for the advance of capital and the risks incident to trade.*

Secondly.—And by far more important, is the consideration, that prices reciprocate. If any one article of general

* See Appendix A. p. 19.

consumption be high priced, every other article of consumption must partake of that high price, and as nearly every article consumed in the United Kingdom, excepting provisions, is directly taxed, so the effect of the tax on each, acts upon all, inclusive of provisions; the increased price of which latter, re-acts upon prices generally. High prices on the supplies to the landlord and tenant, create a necessity for high prices on farm produce, and the high prices of farm produce, render necessary still higher prices for articles of general supply. In this manner, an annual tax of £1. imposed on any article of consumption, will be found to require, at least, £6. in the general prices, to effect a distribution of the burthen of the £1. paid to the Treasury. Or, to exhibit the principle in its more extensive application, 28 millions paid by the importer and manufacturer annually, in duties of Customs and Excise, must operate, to effect a distribution of the burthen over the mass of consumers, by an augmentation, in the aggregate of prices, of all the commodities annually sold in the United Kingdom, to the amount of upwards of 160 millions.*

The net produce of the Customs and Excise is estimated, for the year 1829, at a little more than 37 millions.†

Of which about 31 millions is payable in respect of the public debt;—viz.

Interest	- -	28 millions.
Sinking Fund		3
		—
		31 millions.

The greater part of the evils incident to the system of raising taxes by means of the duties of Excise and Customs, are therefore to be ascribed to the public debt.

Those evils consist in—

* See Appendix B. p. 23.

† Speech of the Chancellor of the Exchequer on opening the Budget, 8th May, 1829.

First.—The general and unceasing disturbance of society, by the effort made by all persons engaged in the agriculture, manufactures and commerce of the country, to recover those duties, to the utmost extent possible, from the consumer.

Second.—The high prices required, by the peculiar manner in which the costs of production and the means of living are affected, by the operation of that effort, and which render necessary, not less than £6. in the aggregate of prices, to equalize the burthen of £1. paid in duties.

Third.—The interruption occasioned by a scale of high prices, to the application of the most plain and obvious principles of social economy, and the consequent narrowing of demand from abroad and of consumption at home.

Fourth.—No part of the large proportion of the government annuities received by trustees, and others, who re-invest the annuity or expend it in foreign countries, contributes to the payment of such or any duties, or any other of the taxes; and absentee proprietors of land and other descriptions of absentee proprietors, although suffering a considerable diminution of net rent from the operation of the fiscal burthens of the country, and especially as those burthens affect them through the medium of the poor, avoid the payment of duties on consumption as respects themselves, their families and establishments. Resident proprietors, who do not expend their income, also avoid an equality of contribution to the state. This inequality of pressure is very severe in its effect on all those who suffer, not only in the reduced net produce of their property, but again, deeply, in the direct and indirect effect of the duties of Excise and Customs, on the price of every article of consumption.

Without following this subject to its more minute bearings, it is sufficiently clear that the resident proprietor, who, in the indulgence of a liberal mind, from the claims upon his station in society, or from whatever cause, expends

his income at home, bears an accumulated and most unequal burthen. The conclusion applies with considerably less force, to the public annuitant, expending his income at home, but to him it also applies sensibly: he too bears an accumulated and unequal pressure. These are the classes then, who have a strong appeal to the justice of the legislature; they are the classes which comprehend the great body of the proprietary, and a very large proportion of the influence and of the regulated and effective intelligence of the country. The legislature is, in a high degree, formed of the most eminent persons of those classes. The question is not then,—is the just, equal, and judicious distribution of the burthens of the state, a measure of difficulty? It cannot be really difficult for England to apply the principles of justice and equal dealing to the social body, at the suit of nearly all that is powerful in the realm.

The mode by which the burthen of the public debt, as it bears upon property, may be reduced and equalized in its pressure, in order to effect the relief desired, must be considered in connection with the increase of the labouring classes, both in agriculture and manufactures, beyond the demand for employment. These are evils distinct in kind; they require to be considered separately; but in order to procure effectual relief to the proprietary and community generally, the causes of each must be removed.

The reduction and equalization of the pressure of the public debt upon property, will first be considered.

For this purpose, it is proposed as follows;

That the legislative repeal of annual duties to the amount of 31 millions, be declared;—viz.

In respect of the interest on part of the debt	25 mills
Sinking fund to be discontinued	3
Reduction of government pay and pensions, and lower prices of stores for the public service	3
	<hr/> 31 mills.

That, at the same time, every description of property in the United Kingdom be assessed, in the proportion of one fifth part of its value.

That all government stock, not held by foreigners residing out of the kingdom, be reduced in the same proportion.

That all home appointments in and under the government, and government pay and pensions generally, be reduced in the same proportion.

It is difficult to estimate the private property of the United Kingdom, with the accuracy to be desired. By the statement published by Dr. Colquhoun, described as “An attempt to estimate the Property in Great Britain and Ireland” (1812), the amount of private property in the United Kingdom is taken at 2,647 millions*: in that statement the cultivated lands constitute one half nearly, of the whole sum; the cultivated lands in England and Wales being estimated at something more than £24 per acre. This is a moderate rate of estimate. The other particulars are evidently the result of much labour and research, and considering the subsequent increase of buildings and other evidences of an increase of property, there does not appear to be any reason to question the propriety, for the present purpose, of estimating the private property in the United Kingdom, at 2,800 millions, at the least.

Taking the public debt at 800 millions,† and deducting one-fifth, or 160 millions, for the proposed assessment of one-fifth,

* Colquhoun on the Wealth, Power, and Resources of the British Empire, 2nd Edit. p. 55.

† Strict accuracy in the amount of the debt is not required for the immediate purpose of this outline.

640 millions remain. The assessment of one-fifth to be charged on the private property of 2,800 millions, would amount to 560 millions, which assessment would be applicable either in principal or interest, according to circumstances, to the debt of 640 millions remaining as abovementioned, leaving the sum of 80 millions for the annuities for terms of years, or to be liquidated by other and gradual means.

Should a plan, so bold in its outline, be received with feelings of undefined apprehension, the reader may be safely assured, that reflection on the subject has hitherto, even with the most discerning, seldom failed to substitute confidence for fear.

Let it be considered in its application to the several classes of proprietors, living upon and expending their income, or the greater part thereof, at home.

And *first*—what is commonly called the funded proprietor, or government annuitant. This proprietor receives £500 per annum, or any greater or less sum. To redeem himself from the effect of a high scale of duties, he foregoes the receipt of 20 per cent. per annum. Can it be doubted, that the proposed sweeping repeal of 31 millions of duties, would leave him in command of more of the comforts of life, than he at present enjoys?—In this instance, the operation of the measure is simple and without difficulty. He was, in truth, at once both a creditor and debtor, in account with the country. He has paid his debt, and is released from the expensive and cumbrous machinery, brought into action by the previous complexity of his situation and working with much friction.

Second.—The landed proprietor, who must be considered in several positions; namely,

The landed proprietor, being also a government annuitant,

or possessing other property readily and conveniently convertible into money.

Or, not possessing such facility, but free from mortgage.

Or, being under mortgage.

In the first case, the assessment would be paid with facility, by cancelling the annuity, if of sufficient value, after the deduction of one-fifth, or by applying other available funds to the same purpose ; still, however, retaining the option to pay an annual interest on the assessment, or any part of it, if preferred.

In the second case, the proprietor would pay the annual interest on the assessment, until convenient to pay the principal, by instalments ; or at once, by means of a private mortgage for the purpose.

In the third case, the mortgagee would pay the annual interest on the assessment, in the proportion of the mortgage to the whole property ; but the benefit to the property, from the increase of value which it would acquire from the remission of duties, would result to the proprietor or mortgagor ; and provided the mortgagee expend the mortgage interest at home, he also would be benefited in the same manner as the government annuitant ; a diminished income in pounds sterling, would give more command over the comforts of life. Both mortgagor and mortgagee are benefited.

Third.—The farmer, in respect of his capital, would be relieved, by the remission of duties, to such an extent as to be enabled to meet the demand for the assessment, by payments to be made by such instalments, as should be considered proper, in reference generally, to the circumstances of this class. The assessment would bear only on his actual or net capital, after allowing for the payment of every debt.

Fourth.—Merchants, manufacturers and dealers, would also be relieved from the employment of a large proportion of their capital, now employed in respect of the duties to

be repealed, and consequently, great facility would be afforded to the payment of the assessment by instalments. The four-fifths of capital remaining, could not but be adequate to the purchase and sale of more wares and merchandize than the whole of the capital under present circumstances. In this case, also, the assessment would only bear on the actual or net capital, after allowing for the payment of every debt.

And then, all these classes, including the farmer, would be relieved, in their domestic expenses, from the operation of the high scale of duties.

It is further to be considered, that the duties levied through the medium of the poor, recoil with excessive aggravation on the higher classes, and fall with great severity on property. The duties of Excise and Customs, are levied principally, on articles of which the poor are the great consumers;—beer, spirits, tobacco, tea, sugar, tallow and other articles. The capitals employed in the payment of these duties, are exacted from the poor with great accumulation of charge; being usually levied, excepting as regards beer and spirits, through three, four or five successive parties, from the importer or principal manufacturer, to the huckster; and can only be paid by means of a re-action on various classes of the proprietary, who are thus burthened, ultimately, very far beyond the simple amount originally required, and in fact paid into the treasury.

And again, although the recoil upon the proprietor, of the duties levied through the medium of the poor, is general, it is not universal. All persons holding government annuities, and either not expending the annuity, or expending it in other countries, and the large proportion of government annuities held under the great variety of private and public trusts, the amount of which is re-invested, wholly and en-

tirely escape this indirect, as well as the direct effect of the duties on consumption.

The objectors, and the only objectors in the various classes of the proprietary, who could with a sagacious, but selfish regard to their own immediate interest, maintain an opposition to this measure, are the absentee and the accumulator;—proprietors, who are protected in their property, but who do not contribute to the wants of the state in common with those, who, by a liberal expense, give employment to the anvil and the loom, and bring up the families who are, in succession, to fill the middle and upper ranks of society.

Were argument wanting to convince the expending and resident proprietor of the beneficial effect of this measure, upon his own affairs, the consideration of its effect on the non-expending and non-resident classes must be conclusive.

The state of the population, and the remedy to be proposed to meet, and for the future, prevent, the incalculable evils incident to an excess of numbers in the labouring classes, especially in the manufacturing class, are now to be considered.

The lower classes of society, without any question, participate severely, in the effects of a high revenue system, but their sufferings from that cause are to be considered, chiefly, as a consequence of the direct and indirect effect of that system upon the classes above them. The distresses of the lower orders proceed, principally, from competition for employment, arising from an excess of numbers. If the demand for labour exceeded the supply, the labourer would command a compensation for his labour adequate to his support, whatever might be the rate of taxation. On the contrary, if the supply of labour materially exceed the demand, the competition both of the employers and the em-

ployed, will depress the wages of labour to an extreme, leaving the unhappy, although industrious labourer or workman, to poverty and wretchedness. For this great evil there can be no permanent remedy in the remission of duties or taxes, nor in any impulse that can be given to domestic industry. Numbers would increase with prosperity, until even supposing the whole of the present population to be employed, the day must arrive, when a repetition of the same scenes of wretchedness would recur, and upon a larger scale, unless prevented by legislation. Provision against an excess of numbers, in the labouring classes, is indispensable to the success of any system, having for its object the improvement of the condition of the working classes.

One of the *immediate*, and *for a time*, most beneficial consequences of the liquidation of the public debt, however, would be experienced in its influence on the condition of the lower orders. The effect of the increase of employment incident to the lowering of the costs of production, the improved condition of the upper orders, and the probable return of some of the absentees, combined with the cheapness of many articles of general consumption, now subject to heavy duties of Excise and Customs, could not fail greatly to relieve the condition of the lower orders; perhaps, *for a time*, to the full extent of equalizing the demand and supply of labour. If not successful to that extent, this measure would, at least, approximate the demand to the supply.

In this case, there would be no very considerable number of persons, in the first instance, to become the objects of the following plan, the introduction of which might be difficult, if attempted in coincidence with a numerous unemployed population.

The gradual distribution of mankind, over the face of the earth, is a decree of Providence, and until the earth be

fully peopled, any political system founded on the assumption that a people is to confine itself to a limited portion of territory, proceeds on a false and most dangerous principle, and the greater the prosperity of a people, the greater the tendency to an increase in number. Notwithstanding the force of this truth, the poor laws of England contemplate the employment of the whole population within the kingdom, without allowing for the possible case of the people exceeding in numbers, the means of useful employment and even the means of support. The chief objects of the act of the 43rd Eliz. which act is the basis of the present system of poor laws, are;—to relieve the impotent poor, and to find employment for such as are able to work. Mr. Justice Blackstone observes of this statute, that its “only defect was confining the management of the poor to small parochial districts, which are frequently incapable of furnishing proper work, or finding an able director.”*

The measure now to be proposed is, in effect, an extension of the principle of that act, in regard to the poor able to work, from a parish to the empire. It is as follows;

1.—To limit the powers and confine the duties of parish officers, to the relief of the physically incapable poor.

2.—To provide establishments for each county, or other division of the country, for the reception of the capable unemployed poor, to be superintended by a superior class of persons, under the control of the magistrates, acting under the immediate authority of the Secretary of State.

3.—That to such establishments should be attached a sufficient portion of land, to afford instruction to the inmates in spade and garden husbandry, and that the female inmates should be instructed in washing, spinning and other domestic pursuits.

4.—That no person past the age of sixteen years, unless attached to the establishment, should be allowed to be an

* Commentaries, Vol. I. p. 361.

inmate beyond a period to be fixed, and which, according to circumstances, might vary from three to nine months.

5.—That no person should be allowed to enter any of these establishments, after having once received that benefit.

6.—That upon the discharge of these persons, certificates should be delivered, entitling them, should they choose, to be passed to a sea port, there to be received on board a ship, prepared as a temporary establishment, until they could be draughted off and conveyed, either to New South Wales, Van Diemen's Land, or Upper Canada, all possessing very fine climates, and a rich and fertile soil.

7.—That upon their arrival at the place of destination, at times when employment might not be offered by the colonists, the most careful attention should be directed to their regulation and advancement towards the degree of independence to which their habits of industry and care might entitle them.

On the supposition of this efflux being gradual, although constant, this plan could not be very difficult of execution, nor could it require any very heavy annual disbursement. The labour, even of English criminals, bears a high price in New South Wales and Van Diemen's Land; and in Upper Canada, an industrious family is a valuable acquisition to the colony.*

The objects of the measure now proposed are, to cancel, forthwith, or as soon as considerations due to the merchants and other holders of goods, whereon duties may have been paid would admit, duties of Excise and Customs, to the amount of 31 millions.† To reduce the public debt from 800 to 640 millions, by cancelling one-fifth of the principal, and to provide for 560, part of the remaining 640 millions,

* See Appendix C. p. 28.

† See Appendix D. p. 33.

by an assessment on private property to that amount, payable either in principal, or by an equivalent in annual interest, according to the circumstances of the several classes of proprietors and capitalists, or the convenience of individuals; leaving 80 millions or thereabouts, to expire by effluxion of time, or to be disposed of otherwise.—To reduce the appointments of government home pay and pensions, in the proportion of one-fifth, and consequently, to lead to and justify the reduction of salaries and other pay on private establishments, in a corresponding degree. Also, at an early time, to vary and alter the act of 43 Eliz. so as to adapt that law to the present altered state of society, and improved state of the arts; and this chiefly, by relieving parishes from the duty imposed by that act, of providing occupation for the unemployed capable poor, and applying that sound and wholesome principle of the act, in lieu of a parish, to the empire, in such manner as effectually to guard against the evils of a population exceeding the demand for labour, or the means of employment, so long as the empire contain productive land, in climates congenial to the natives of these islands.

Such are the views on these important subjects, now submitted to the British public. The author, in his former tracts, has treated the question of the national debt more in detail, and to those tracts he refers, should they be considered deserving attention. It appeared to him, when they were published (1819, 1820 and 1822), and his opinion is unchanged, that by the means which he has suggested, the wretched may be relieved; the decline of others, to the same condition, be prevented; sustenance, at least, be rendered back, in return for labour; an adequate return be obtained by the prudent capitalist; and the higher orders of society be enabled to reap the ample returns from property, to which the industry and energy of the British people, and their own conduct as legislators, magistrates and landlords,

give them a claim; unaccompanied by the reflection, that the suffering and degradation of a large portion of the people, stand in severe and direct contrast to the means of diffusing ease and comfort, and of raising the moral character of the population, possessed by the country.

It must, however, be considered, that a measure so comprehensive and searching, as the proposed liquidation of the public debt, whatever may be its simplicity of principle or facility of execution, cannot be expected to be proposed by any minister, even the most powerful, without a previous manifestation of public opinion in its favour, and that the measure can have little chance of being brought into operation, unless the great proprietors themselves, who have a principal interest in its adoption, become its avowed and zealous advocates.

APPENDIX (A.)

(First Published in 1820).

THE effect of the repeal of duties cannot be estimated, by considering the amount, simply, of the gross produce of the duties to be repealed.

The duty payable on most articles of general consumption, before delivery, renders a vast increase of capital necessary to the merchant and manufacturer. A pound of tea, if sold by the importer at three shillings, cannot be delivered to the dealer, until not only the cost be paid, but also three shillings more for the duty. The importation price of a gallon of brandy is four shillings; the duty is £1. 2s. 6d. Of a pound of tobacco, five pence; the duty is three shillings. The duties on malt, beer, sugar, candles, soap, pepper, and other articles, are also very heavy.

The importer or first holder of any article whereon duty may be paid, in regulating the price to the dealer, must calculate loss in weight or quantity, the interest of money, and risk of debt, on the whole of the capital which he confides on credit; and it appears that the risk of debt has increased, not only in the proportion of the greater sum to the lesser, but that the number of insolvents has greatly increased with the increase of duties and taxes, as well as the amount of the debt in respect of any specific quantity of goods. The hazards of business are so greatly increased, by the effect of the progressive and general increase of duties and taxes, that it is become difficult to assign any rate of advance on goods delivered on credit, equal to the risk of debt. In conse-

quence, large apparent profits are found to be unequal to the protection of the property of capitalists, who, to a deplorable extent, have of late, sunk their capitals. The state of trade has baffled the calculations of the most sagacious merchants, and retreat from business has, to great numbers, alone presented any hope of safety.

If, then, the effect of calling a sum of twenty shillings into hazardous activity by means of a duty, be traced from the importer or first holder, through a chain of dealers, to the consumer, and particularly to the poor consumer, who purchases in small quantities; and the temptation to lower and adulterate the quality, acting upon dealers, be considered, it is not too much to assume that consumers pay from twenty-five to thirty shillings in respect of every twenty shillings collected by the government on articles of leading consumption. Revenue which is raised by means of articles of consumption, is therefore, onerous in an excessive degree. The consumer pays, on the average, at least twenty-five shillings for every twenty shillings paid to the crown on articles consumed by him; and yet merchants, manufacturers and dealers, with few exceptions, are depressed.

The attempt to raise revenue through the poor, or non-proprietor, is delusive. What can the non-proprietor pay, unless he be enabled to pay by means of money drawn from the proprietor? and what is the effect of the attempt so to raise revenue? Either the proprietor, directly or indirectly, enables the non-proprietor to pay the duties and taxes, or he cannot pay them; and yet twenty-five shillings paid in respect of duties, through the medium of articles of consumption are, at the most, not more than equal to twenty shillings, if paid by the proprietor at once to the Crown. This expensive mode of supply, if even the impost be paid by the hand of the lower class of consumers, is, in effect, paid in its highest degree of aggravation, by the proprietor. The hand of the poor is employed to make the payment, but the

purse of the rich supplies the money, through this, the most expensive medium, by which the public revenue can possibly be raised. The poor *cannot* substantially support the revenue.

It will indeed be said that the difference between the sum received by the crown and the sum paid by the consumer, consists in the profits of trade or the profits of stock; but such is not the fact. Articles of consumption, of the descriptions which are subject to the laws of Customs and Excise, do not, for the most part, reach the consumer until passed through a chain consisting of not less than three or four links, namely:—

The importer or manufacturer,

Wholesale dealer, and one or more intermediate dealers.

Huckster.

These several parties have to seek an indemnity for the advance of money, and the great increase of risk by the insolvency of the parties to whom they respectively deliver goods on credit; and they will endeavour to combine some additional profit on sales, something to keep pace with the higher prices which, in consequence of the high revenue system, they are required to pay for the articles which they have occasion to purchase for their own use and consumption. It will not be assumed, that no part of the advance upon the duties can be resolved into profit to the merchant or dealer; but the state and condition of the merchant and dealer are evidence that the additional profit is not equal to the increased expenses of living, since a mass of insolvency constantly presses upon the attention of most persons engaged in trade or business. In truth, great part of the several and successive advances upon the original amount of duties, made by the respective parties through whose hands the goods pass, from the first to the last, in the chain of dealing, are so many premiums of insurance on the hazardous risk which each, excepting the dealer for

ready money, incurs, and which premium has too often been found to be unequal to the risk.

The whole sum of the advance made by dealers, on the duties to the Excise, may be divided between the great and often repeated risk of debt, loss in weight or quantity, interest of money, and the greater profit required by each dealer through whose hands the goods may pass, for his maintenance and support: but the greater proportion may be resolved into risk of debt; certainly, with few exceptions, not any part, into the means of acquiring property, or of living better.

If only 25 per cent. be added to meet these advances, the repeal of duties amounting (with the charges of collection), to 34 millions or thereabouts, would in effect, be the removal of a burthen from the public, to the extent of, at least, 42 millions.



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